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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 92 ADM-34

TO: Commissioners of
 Social Services

DIVISION: Income
 Maintenance

DATE: August 31, 1992

SUBJECT: Employment: Meeting JOBS Training Expenses and Supportive
 Services Needs with Student Grants and Loans

SUGGESTED
 DISTRIBUTION:

Employment Coordinators
 Directors of Income Maintenance
 Staff Development Coordinators
 Food Stamp Directors

CONTACT
 PERSON:

Employment Programs at 1-800-342-3715, at
 extension 3-8744;
 County Food Stamp Representative at extension 4-9225

ATTACHMENTS:

Model Financial Aid Statement and Procedures - not
 available on-line

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
90 ADM-27		385.3	PL 100-485	FSSB XII-H-All EM C-24-44 PASB XI-D-All	

I. PURPOSE

The purpose of this Directive is to provide social services districts with the Department policy for the handling of student loans and grants in establishing the training expense and supportive services needs of Job Opportunities and Basic Skills Training (JOBS) Program participants in approved training.

II. BACKGROUND

Department regulation 385.3 requires that social services districts provide JOBS related supportive services to JOBS participants in approved training to the extent that they are reasonable and necessary. Grants and loans are often available to JOBS participants to help meet both their activities expenses, such as tuition, books and supplies and also their supportive services needs, such as child care and transportation. Social services districts must be aware of those instances where these resources may be counted when considering the necessary expenses which must be covered by JOBS funds.

III. PROGRAM IMPLICATIONS

Social services districts should consider student grants as available resources when determining the JOBS participant's supportive services needs, as long as they are clearly earmarked to meet these needs.

Social services districts may not require JOBS participants to apply for student loans, nor may an existing loan be considered as an available resource when determining a participant's supportive services needs.

In the case of approved self-initiated training, where the district may not pay the cost of tuition, books and supplies, participants may have to apply for loans to meet these costs. The decision to apply for a loan in these situations is wholly at the discretion of the JOBS participant.

Food stamp policy regarding the treatment of educational grants and loans as defined in FSSB XII-H-All is unchanged by this policy.

Medical assistance policy regarding the treatment of educational grants and loans is unchanged by this administrative letter.

IV. REQUIRED ACTION

Social services districts must determine the extent to which educational grants meet the supportive services needs of participants in approved JOBS training. These grant funds must be budgeted along with JOBS supportive services funds available for child care and training-related expenses, to ensure that necessary services are provided.

Financial grants such as Tuition Assistance Program (TAP) and Pell Grant Program meet certain expenses associated with participation in training. Social services districts must require students to apply for these and other appropriate grants which carry no repayment obligation.

Although they are intended to cover educational costs for an entire semester, grants are often received by a student well after the semester has begun. The district may need to cover all supportive services expenses before the educational grant is received in order for participants to remain in a program. Once the grant is received, it should be evaluated for its applicability toward the entire semester's expenses, including those expenses incurred prior to receipt of the grant when JOBS funds were provided to meet the individual's needs. To assist in this evaluation, districts should establish cooperative relationships with educational institutions in which JOBS participants are enrolled to obtain information on the amount of a JOBS participant's grant and the manner of its disbursement.

Districts must notify participants (and preferably have participants sign an acknowledgment of notification) that JOBS funds advanced in anticipation of grants will have to be paid back to the district upon receipt of the grant, either as a direct cash reimbursement or as part of a budget plan for the semester.

EXAMPLE: Assume that a participant's supportive services needs for the semester total \$3,000 and a grant for \$2,500 is forthcoming. The district's obligation for the semester is \$500 in JOBS funds, but it advances the participant \$1,000 to meet supportive services needs prior to the participant's receipt of the grant. Once the grant is received, the district could;

- 1) require the participant to repay the entire \$1,000, withholding any JOBS funds until the educational grant is exhausted;
- 2) require the participant to repay \$500, and consider that the budget obligation of \$500 in JOBS funds has been met; or

- 3) recoup the \$500 from any future JOBS supportive services payments.

The department recommends the first approach as it is the least likely to result in future recoupments.

Districts must also notify participants that the district may only provide non-recoverable JOBS supportive services funds which represent the difference between the participant's needs and the grant which is earmarked for these needs. Therefore, if a participant's needs total \$3,000 and the grant provides \$2,500 to meet these needs, then the district may only provide \$500 in non-recoverable JOBS supportive services funds to meet the participant's needs. The limit is calculated based on the purpose for which the grant funds were provided, and applied even if the participant uses the grant funds in ways other than for the intended purpose, resulting in a shortfall.

Attached is a model local financial aid determination procedure, adapted from that used by Monroe County Department of Social Services. Social services districts may find this model useful in developing or updating procedures.

IV. SYSTEMS IMPLICATIONS

None

V. EFFECTIVE DATE

This directive is effective September 1, 1992.

Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance